
Tobin & Co.

Leland Township

Leelanau County, Michigan

Audit Report

For the Year Ended March 31, 2005

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name Leland Township	County Leelanau
Audit Date 3/31/05	Opinion Date 9/15/05	Date Accountant Report Submitted to State: 9/29/05	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☒ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	X		
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

TOBIN & CO., P.C.

400 E. EIGHTH ST.

TRAVERSE CITY, MI 49686-2668

Certified Public Accountant (Firm Name)			
Street Address 231-947-0151		City	State ZIP
Accountant Signature David T. Barber		Date 9-28-05	

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INTRODUCTORY SECTION

Tobin & Co.

Comments and Recommendations

We have audited the basic financial statements and the individual fund financial statements of Leland Township, Leelanau County, for the year ended March 31, 2005 and have issued our report thereon. As part of our examination, we made a study and evaluation of the Township's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the Township's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

Our study and evaluation made for the limited purpose described above would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal control of Leland Township taken as a whole. As a result of our examination, we respectfully submit the following comments and recommendations.

General

Accounting records were maintained in good order. Recorded revenues, except for the Harbor receipts, were deposited timely and intact and bank accounts were reconciled on a regular basis. Required journals and ledgers were maintained. Follow-up procedures appeared good.

Budgets and Procedures

The Township prepared and adopted budgets for its General, Special Revenue, and Enterprise Funds. See Note 2C of the Notes to Financial Statements.

General Fund

The General Fund is presented on Schedule 1 of this report. The fund balance at March 31, 2005, was \$194,585, a decrease of \$52,717 from the balance at March 31, 2004.

Metro Authority Fund

This fund, presented on Schedule 2, is used to account for state shared revenues under the new Metropolitan Authority Act restricted to right-of-way expenditures. Revenues amounted to \$5,449 for the audit year. The fund balance at March 31, 2005 was \$6,997.

Fire and Rescue Fund

This fund, presented on Schedule 3, is used to account for the special voted tax of .3273 mil for fire protection. Revenues amounted to \$152,102 for the audit year, including \$95,266 of tax and \$56,743 of ambulance fees. In addition, the fund received a transfer of \$305,233 from the Fire Building and Equipment Fund to cover the cost of new fire vehicles. The fund balance at March 31, 2005 was \$82,103, a decrease of \$784 from the balance at March 31, 2004.

Liquor Law Enforcement Fund

This fund, presented on Schedule 4, is used to account for liquor license fees refunded by the State of Michigan. These fees may be used only for enforcement of the State liquor laws. Expenditures exceeded revenues by \$2,428 for the audit year, and the fund balance at March 31, 2005 was \$11,162.

Library Fund

This fund, presented on Schedule 5, is used to account for revenues specifically designated for operations and maintenance of the Township Library. Revenues and a transfer of \$57,750 from the General Fund exceeded expenditures by \$24,080. The fund balance at March 31, 2005 was \$208,599.

Marina Improvement Fund

This fund, presented on Schedule 6, is used to account for interest earnings and monies transferred from the Marina Fund set aside for capital improvements. Revenues exceeded expenditures by \$6,936. The fund balance at March 31, 2005 was \$416,911.

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Comments and Recommendations

Fire Building and Equipment Fund

This fund, presented on Schedule 7, is used to account for the special voted tax of .3273 mil for fire equipment replacement. Revenues amounted to \$110,085 for the audit year. Expenditures consisted of a transfer out of \$305,233 to the Fire and Rescue Fund for purchase of two new vehicles. The fund balance at March 31, 2005 was \$132,990.

Sewer Fund

This fund, presented on Schedule 10, is used to account for the operations and debt retirement relative to the Township sewer system. Retained earnings at March 31, 2005 were \$744,033.

Marina Fund

This fund, presented on Schedule 11, is used to account for operations of the Township Marina. Retained earnings at March 31, 2005 were \$504,805.

Capital Assets

The Statement of Changes in Capital Assets (land, buildings, and equipment) is presented in Note 6 of the Notes to Financial Statements.

Property Tax Collections

The collection and distribution of the 2004 tax levy was handled by the Township Treasurer. Paid receipts were filed in order of payment. Deposits were made timely and intact. Distributions to taxing units during the collection period were in accordance with statutory requirements.

See Schedule 13 for a summary of the 2004 property tax levy and collections.

Payroll Procedures

Payroll records were well maintained by the Township Clerk. Social Security and Medicare taxes are being withheld as required by statute.

Insurance and Surety Bond Coverage

Records indicate that the Township is insured through Municipal Underwriters of Michigan and the Michigan Municipal League Workmen's Compensation Fund and has such coverage as fire and extended coverage, general liability, errors and omissions, workmen's compensation, equipment and crime coverage. Board minutes indicate that coverage was reviewed during the audit year. The Clerk, Treasurer, and their deputies, as well as the Supervisor, have specific surety bond coverage and the Township has a blanket surety bond for other employees.

Other Data

We are pleased to note the use of interest bearing depository accounts. This practice resulted in earned interest of \$29,423 during the audit year. This is commendable on the part of the Treasurer and other Board members.

After completion of our audit, we will submit the necessary copies of our report to the State Department of Treasury.

We appreciate the courtesy extended our field examiners in the conduct of this audit.

Your confidence is respected. Please contact us if questions arise or assistance is needed.

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FINANCIAL SECTION

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REPORT OF INDEPENDENT AUDITOR

To the Township Board
Leland Township
Leelanau County
Leland, Michigan 49654

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate of remaining fund information of Leland Township as of and for the year ended March 31, 2005, which collectively comprise the Township's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate of remaining fund information of Leland Township, Leelanau County at March 31, 2005, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by the GASB. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Table of Contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements of Leland Township. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



TOBIN & CO., P.C.
Certified Public Accountants
September 15, 2005

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Leland Township Management Discussion and Analysis Letter

As the Township Board of the Leland Township, we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of Leland Township for the fiscal year ended March 31, 2005.

Financial Highlights

The assets of Leland Township exceeded its liabilities at the close of the most recent fiscal year by \$8,365,741. Of this amount, \$194,585 may be used to meet the Township's ongoing General Fund obligations to citizens and creditors.

As of the close of the current fiscal year, Township's governmental funds reported combined ending fund balances of \$1,053,847, a decrease of \$214,612 in comparison with the prior year.

At the end of the current fiscal year, unreserved fund balance for the general fund was \$194,585, or 52.9% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Leland Township's basic financial statements. The Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information, in addition to the basic financial statements themselves.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of the Township's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Township's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the Township's financial position is improving or deteriorating.

The statement of activities presents information showing how the Township's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused credits, and used but not paid expenses).

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Township include: general government, public safety, road projects, and township improvements. The business-type activities of the Township include sewer and marina operations.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Leland Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Leland Township maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General Fund, Fire and Rescue Fund, Marina Improvement Fund, Library Fund, and Fire Building and Equipment Fund, which are considered to be major funds. All Township government activities are included in these five funds plus three non-major governmental funds.

The Township adopts an annual appropriated budget for its general fund, special revenue and permanent funds. Budgetary comparison statements have been provided for the general fund and other governmental funds to demonstrate compliance with this budget.

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Proprietary funds: Leland Township maintains two individual proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Township uses an enterprise fund to account for its sewer activities.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Township's own programs.

The basic fiduciary fund financial statements can be found on page 20 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

General Fund Analysis and Highlights

General Fund revenues in 2004-2005 increased by approximately \$6,000 while expenses increased by approximately \$28,000. The major contributing factor to this increase involved legal and planning fees associated with a controversial Planned Unit Development project in our Township. The Township also moved its offices to a larger space, increasing the monthly cost by approximately \$525 per month. Steps have been taken by the Board to change zoning fees and policies to hold developers responsible for certain legal fees pertaining to their developments in the future. Fund balance on March 31, 2005 was \$194,585, a decrease of \$52,717 from the balance on March 31, 2004.

Condensed Financial Information and Analysis of Balances and Transactions of the Other Township's Funds.

Refer to pages 12 to 19 of the audited financial statements.

Capital Asset and Debt Administration

Capital assets: The Township's investment in capital assets for its governmental activities as of March 31, 2005, amounts to \$2,107,895. This investment in capital assets includes: several parcels of land, Library, Fire and Rescue buildings, Fire and Rescue Trucks and Equipment, and Office Equipment and Computers. This is the first year that the total Township's investment in capital assets has been assessed and reported. All of our government funds report capital outlays as expenditures. However, the cost of the assets is allocated over their useful lives. This fiscal year the amount by which capital outlays exceeded depreciation was \$319,457.

Cash Assets: At the end of the current fiscal year, the Township had \$1,459,905 in cash and other spendable assets. The Township is limited by State law in how it can invest these funds, and we have made no changes in our investment strategy in several years.

Long-term Debt: At the end of the current fiscal year, the Township had \$1,025,000 in bonded sewer debt outstanding.

Pension Plan: The Township makes contributions equal to approximately 10.4% of each employee's wage to Municipal Retirement Systems, Inc. on behalf of each participating employee. This is an expensed item in the budget and totaled \$8,000 for the fiscal year.

Currently Know Facts, Decisions, or Conditions Expected to Significantly Effect Next Year and Beyond

The harbor is embarking upon a renovation project in the near future which would include modernizing the facilities, electrical upgrades, reconfiguration within the confines of the space available and moving fuel tanks to a safer and more suitable area. Requests have already been made to the state of Michigan Waterways Commission for grant funds and they voted in favor in June 2005 for 75/20% funding of the Harbor Master Plan. We are about to embark on a Surge Study Proposal to determine plausibility of floating docks (recommended by the Waterways Commission) vs. fixed docks (recommended by the engineers for our area).

The Fire Department is completing their study of facilities and rescue services in the Township. The Leland Station needs to be expanded and land procurement is pending. The Lake Leelanau Station is in need of interior updating. The cost of Advanced Life Support coverage continues to rise (\$25,000 annually plus \$225 for each intercept in 2004 to \$32,000 annually plus \$225 per intercept in 2005). The decreasing number of fire/rescue personnel who are available during the weekday hours continues to be a problem. Increases in salaries for officers and payment for fire runs resulted in fund equity spending of \$784. \$95,266 was received in taxes for operations and \$95,266 for equipment. \$56,743 was received in ambulane fees. A millage renewal/increase will be placed on the ballot in August 2006 depending on the facilities/services study results.

In 2005, the Leland Township Library was computerized. This will give them the ability to more fully meet the needs of the patrons. They completed their Five Year Plan and Policy Manual revision. A new head Librarian was hired. The General Fund contributed \$57,750 to the Library Fund for operations. The fund balance as of March 31, 2005 was \$208,599.

Requests for Information

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Requests for Information

This financial report is designed to provide a general overview of Leland Township's finances for all those with an interest in the Township's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Jane Keen, Township Clerk, P. O. Box 1112, Leland, MI 49654.

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Leland Township Statement of Net Assets March 31, 2005

<u>Assets</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 1,009,498	\$ 414,181	\$ 1,423,679
Investments	36,226	-	36,226
Accounts Receivable	-	107,411	107,411
Taxes Receivable – Current	17,599	3,408	21,007
Due from Other Activities	10,386	-	10,386
Prepaid Expenditures	68	-	68
Capital Assets:			
Land	1,453,350	57,135	1,510,485
Other Capital Assets, Net of Depreciation	<u>654,545</u>	<u>5,677,910</u>	<u>6,332,455</u>
Total Assets	<u>3,181,672</u>	<u>6,260,045</u>	<u>9,441,717</u>
<u>Liabilities</u>			
Accounts Payable and Accrued Expenses	2,280	38,310	40,590
Due to Other Activities	-	10,386	10,386
Long-term Liabilities, Net of Discounts:			
Due Within One Year	-	200,000	200,000
Due in More Than One Year	<u>-</u>	<u>825,000</u>	<u>825,000</u>
Total Liabilities	<u>2,280</u>	<u>1,073,696</u>	<u>1,075,976</u>
<u>Net Assets</u>			
Invested in Capital Assets and Intangible Assets, Net of Related Debt	2,107,895	4,710,045	6,817,940
Restricted	869,302	-	869,302
Unrestricted	<u>202,195</u>	<u>476,304</u>	<u>678,499</u>
Total Net Assets	<u>\$ 3,179,392</u>	<u>\$ 5,186,349</u>	<u>\$ 8,365,741</u>

See Accompanying Notes to Basic Financial Statements

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Leland Township Statement of Activities March 31, 2005

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expenses) Revenues and Changes in Net Assets</u>		<u>Total</u>
		<u>Fees and Charges For Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
Governmental Activities:						
Legislative	\$ 48,661	\$ -	\$ -	\$ (48,661)	\$ -	\$ (48,661)
General Government	144,214	14,628	-	(129,586)	-	(129,586)
Public Safety	275,547	73,793	3,572	(198,182)	-	(198,182)
Public Works	24,289	1,732	45,673	23,116	-	23,116
Recreation and Cultural	<u>141,143</u>	<u>24,085</u>	<u>58,387</u>	<u>(58,671)</u>	<u>-</u>	<u>(58,671)</u>
Total Governmental Activities	<u>633,854</u>	<u>114,238</u>	<u>107,632</u>	<u>(411,984)</u>	<u>-</u>	<u>(411,984)</u>
Business-type Activities:						
Marina	460,510	425,344	-	-	(35,166)	(35,166)
Sewer	<u>262,907</u>	<u>342,501</u>	<u>-</u>	<u>-</u>	<u>79,594</u>	<u>79,594</u>
Total Business-type Activities	<u>723,417</u>	<u>767,845</u>	<u>-</u>	<u>-</u>	<u>44,428</u>	<u>44,428</u>
Total	<u>\$ 1,357,271</u>	<u>\$ 882,083</u>	<u>\$ 107,632</u>	<u>(411,984)</u>	<u>44,428</u>	<u>(367,556)</u>
General Revenues:						
Taxes				334,130	-	334,130
State Shared Revenues				134,437	-	134,437
Investment Earnings				25,963	3,860	29,823
Miscellaneous				<u>7,950</u>	<u>-</u>	<u>7,950</u>
Total General Revenues				<u>502,480</u>	<u>3,860</u>	<u>506,340</u>
Change in Net Assets				90,496	48,288	138,784
Net Assets – Beginning				<u>3,088,896</u>	<u>5,138,061</u>	<u>8,226,957</u>
Net Assets – Ending				<u>\$ 3,179,392</u>	<u>\$ 5,186,349</u>	<u>\$ 8,365,741</u>

See Accompanying Notes to Basic Financial Statements

Leland Township
Balance Sheet
Governmental Funds
March 31, 2005

<u>Assets</u>	<u>General</u>	<u>Fire and Rescue</u>	<u>Library Fund</u>	<u>Marina Improvement Construction</u>	<u>Fire Building and Equipment Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash and Cash Equivalents	\$ 181,738	\$ 85,025	\$ 172,373	\$ 416,911	\$ 132,990	\$ 18,659	\$ 1,007,696
Investments	-	-	36,226	-	-	-	36,226
Taxes Receivable - Current	7,559	5,020	-	-	5,020	-	17,599
Due from Other Funds	15,178	-	-	-	-	-	15,178
Prepaid Expenditures	-	68	-	-	-	-	68
Total	\$ 204,475	\$ 90,113	\$ 208,599	\$ 416,911	\$ 138,010	\$ 18,659	\$ 1,076,767

Liabilities and Fund Equity

<u>Liabilities:</u>							
Accounts Payable	\$ 2,280	\$ -	\$ -	\$ -	\$ -	-	\$ 2,280
Due to Other Funds	-	2,990	-	-	-	-	2,990
Deferred Revenue	7,610	5,020	-	-	5,020	-	17,650
Total	9,890	8,010	-	-	5,020	-	22,920
<u>Fund Equity:</u>							
Fund Balance - Reserved	-	-	10,278	-	-	-	10,278
Fund Balance - Unreserved	194,585	82,103	198,321	416,911	132,990	18,659	1,043,569
Total	194,585	82,103	208,599	416,911	132,990	18,659	1,053,847
Total Liabilities and Fund Equity	\$ 204,475	\$ 90,113	\$ 208,599	\$ 416,911	\$ 138,010	\$ 18,659	

Amounts reported for governmental activities on the statement of net assets are different because:

Capital and intangible assets used in governmental activities are not financial resources and therefore are not reported in the funds.

2,107,895

Receivables of property taxes are not deferred in the statement of net assets.

17,650

Net assets of governmental activities.

\$ 3,179,392

Leland Township
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended March 31, 2005

	General	Fire and Rescue	Library Fund	Marina Improvement Fund	Fire Building and Equipment Fund	Other Governmental Funds	Total Governmental Funds
<u>Revenues</u>							
Taxes	\$ 143,588	\$ 95,266	\$ -	\$ -	\$ 95,276	\$ -	\$ 334,130
Licenses and Permits	4,830	-	-	-	-	-	4,830
State Grants	134,437	-	1,772	-	-	9,021	145,230
Charges for Services	35,292	56,743	6,241	-	-	-	98,276
Fines and Forfeits	-	-	14,843	-	-	-	14,843
Interest and Rents	6,935	-	8,283	6,936	3,809	-	25,963
Other	47,516	100	42,462	-	11,000	-	101,078
Total	372,598	152,109	73,601	6,936	110,085	9,021	724,350
<u>Expenditures</u>							
Legislative	39,109	-	-	-	-	-	39,109
General Government	125,826	-	-	-	-	-	125,826
Public Safety	68,869	152,893	-	-	-	6,000	227,762
Public Works	16,002	-	-	-	-	-	16,002
Recreation and Cultural	38,928	-	93,917	-	-	-	132,845
Other	31,968	-	-	-	-	-	31,968
Capital Outlay	46,863	305,233	13,354	-	-	-	365,450
Total	367,565	458,126	107,271	-	-	6,000	938,962
Excess Revenues (Expenditures)	5,033	(306,017)	(33,670)	6,936	110,085	3,021	(214,612)
<u>Other Financing Sources (Uses)</u>							
Operating Transfers In	-	305,233	57,750	-	-	-	362,983
Operating Transfers (Out)	(57,750)	-	-	-	(305,233)	-	(362,983)
Total	(57,750)	305,233	57,750	-	(305,233)	-	-
Excess Revenues (Expenditures) and Other Financing Sources (Uses)	(52,717)	(784)	24,080	6,936	(195,148)	3,021	(214,612)
Fund Balance - Beginning of Year	247,302	82,887	184,519	409,975	328,138	15,638	1,268,459
Fund Balance - End of Year	\$ 194,585	\$ 82,103	\$ 208,599	\$ 416,911	\$ 132,990	\$ 18,659	\$ 1,053,847

See Accompanying Notes to Basic Financial Statements

Tobin & Co.

Leland Township
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
Of Governmental Activities
For the Year Ended March 31, 2005

Net change in fund balances – total governmental funds \$ (214,612)

Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

305,108

Changes in net assets of governmental activities

\$ 90,496

See Accompanying Notes to Basic Financial Statements

Tobin & Co.

Leland Township
Statement of Net Assets
Proprietary Funds
March 31, 2005

Business Type Activities – Enterprise Funds

<u>Assets</u>	<u>Sewer</u>	<u>Marina</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 157,195	\$ 256,986	\$ 414,181
Accounts Receivable	110,819	-	110,819
Capital Assets:			
Land	-	2,299	2,299
Other Capital Assets, Net of Depreciation	<u>5,465,751</u>	<u>266,995</u>	<u>5,732,746</u>
Total Assets	<u>5,733,765</u>	<u>526,280</u>	<u>6,260,045</u>
<u>Liabilities</u>			
Accounts Payable and Accrued Expenses	27,622	10,688	38,310
Due to Other Activities	167	10,219	10,386
Long-term Liabilities, Net of Discounts:			
Due Within One Year	200,000	-	200,000
Due in More Than One Year	<u>825,000</u>	<u>-</u>	<u>825,000</u>
Total Liabilities	<u>1,052,789</u>	<u>20,907</u>	<u>1,073,696</u>
<u>Net Assets</u>			
Invested in Capital and Intangible Assets, Net of Related Debt	4,440,751	269,294	4,710,045
Unrestricted	<u>240,225</u>	<u>236,079</u>	<u>476,304</u>
Total Net Assets	<u>\$ 4,680,976</u>	<u>\$ 505,373</u>	<u>\$ 5,186,349</u>

See Accompanying Notes to Basic Financial Statements

Tobin & Co.

Leland Township
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
For the Year Ended March 31, 2005

	<u>Business Type Activities – Enterprise Funds</u>		
	<u>Sewer</u>	<u>Marina</u>	<u>Total</u>
<u>Operating Revenues</u>			
Charges for Services	\$ 342,501	\$ 425,344	\$ 767,985
Total	342,501	425,344	767,845
<u>Operating Expenses</u>			
Salaries and Wages	9,495	65,428	74,923
Fringe Benefits	1,380	6,856	8,236
Supplies	814	7,254	8,068
Gas, Oil and Fuel	-	262,816	262,816
Contractual Services	88,112	17,941	106,053
Trash Removal	400	1,099	1,499
Legal and Auditing	3,512	950	4,462
Communications	2,201	1,686	3,887
Licenses and Permits	7,300	-	7,300
Insurance and Bonds	4,569	5,531	10,100
Public Utilities	15,602	18,057	33,659
Maintenance and Repairs	20,665	23,193	43,858
Depreciation	143,284	26,397	169,681
Licenses and Fees	-	394	394
Other and Credit Card Fees	465	10,408	10,873
Administration Fee	-	12,000	12,000
Education	-	500	500
Interest	54,410	-	54,410
Total Operating Expenses	352,209	460,510	812,719
Operating (Loss)	(9,708)	(35,166)	(44,874)
<u>Non-operating Income (Expense)</u>			
Interest Income	924	2,936	3,860
Total Non-operating Income (Expense)	924	2,936	3,860
<u>Net (Loss)</u>	(8,784)	(32,230)	(41,014)
Depreciation Transferred to Contributions	89,302	-	89,302
<u>Retained Earnings – Beginning of Year</u>	566,081	635,135	1,201,216
<u>Prior Period Adjustment</u>	97,434	(98,100)	(666)
<u>Retained Earnings – End of Year</u>	\$ 744,033	\$ 504,805	\$ 1,248,838

See Accompanying Notes to Basic Financial Statements

Tobin & Co.

Leland Township
Statement of Cash Flows
Proprietary Funds
For the Year Ended March 31, 2005

Business Type Activities – Enterprise Funds

	<u>Sewer</u>	<u>Marina</u>	<u>Total</u>
<u>Operating Activities</u>			
Collections of Charges for Services	\$ 362,935	\$ 425,344	\$ 788,279
Collections of Special Assessments	1,872	-	1,872
Collections of Interest	924	2,936	3,860
Deduct Expenses Using Cash and Cash Equivalents	<u>(209,012)</u>	<u>(427,287)</u>	<u>(636,299)</u>
Net Cash Flow from Operating Activities	<u>156,719</u>	<u>993</u>	<u>157,712</u>
<u>Investing Activities</u>			
Purchase of Property and Equipment	<u>-</u>	<u>(8,917)</u>	<u>(8,917)</u>
Net Cash Flow Used by Investing Activities	<u>-</u>	<u>(8,917)</u>	<u>(8,917)</u>
<u>Capital Financing Activities</u>			
Advance to Other Funds	4,538	-	4,538
Principal Payments	<u>(200,000)</u>	<u>-</u>	<u>(200,000)</u>
Cash Flow Used by Capital Financing Activities	<u>(195,462)</u>	<u>-</u>	<u>(195,462)</u>
Net (Decrease) in Cash	(38,743)	(7,924)	(46,667)
Balance of Cash – Beginning of Year	<u>191,726</u>	<u>264,910</u>	<u>456,636</u>
Balance of Cash – End of Year	<u>\$ 152,983</u>	<u>\$ 256,986</u>	<u>\$ 409,969</u>
Net (Loss)	\$ (8,784)	\$ (32,230)	\$ (41,014)
Add Depreciation	143,284	26,397	169,681
Decrease in Receivables	22,306	-	22,306
Decrease (Increase) in Payables	<u>(87)</u>	<u>6,826</u>	<u>6,739</u>
Net Cash Flow from Operating Activities	<u>\$ 156,719</u>	<u>\$ 993</u>	<u>\$ 157,712</u>

See Accompanying Notes to Basic Financial Statements

Tobin & Co.

Leland Township
Statement of Fiduciary Net Assets
March 31, 2005

Assets

Cash and Investments	\$ 26.074
Total Assets	<u>26.074</u>

Liabilities

Undistributed Taxes and Interest	<u>26.074</u>
Total Liabilities	<u>26.074</u>
Net Assets	<u>\$ -</u>

See Accompanying Notes to Basic Financial Statements

Tobin & Co.

Leland Township
Notes to Financial Statements
March 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Leland Township is a general law township located in Leelanau County, Michigan. Population as of the 2000 census was 2,033, and the current State equalized valuation of the year of audit was \$503,855,112.

The Township's basic financial statements include the accounts of all Township operations. The criteria for including organizations within the Township's reporting entity, as set forth in GASB No. 14, "*The Financial Reporting Entity*" includes oversight responsibility, fiscal dependency and whether the financial statements would be misleading if data were not included.

Based on the above criteria, there are no other organizations included in these financial statements.

B. Basis of Presentation

The government-wide financial statements (the statement of net assets and the statement of changes in net assets) report information on all of the activities of the Township. The effect of interfund activity, within the governmental activities column, has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements:

The Township segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The Township has presented the following governmental funds:

General Fund – This fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the Township. Revenues are derived primarily from property taxes, state distributions or grants, and other intergovernmental revenues.

Special Revenue Funds – These funds are used to account for specific governmental revenues (other than expendable trusts and major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Tobin & Co.

Leland Township
Notes to Financial Statements
March 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

Permanent Funds – These funds are used to account for resources that are legally restricted to the extent that only the earnings, and not the principal, may be used for purposes that support the reporting government's programs.

Proprietary Funds

These funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position, and cash flow. All assets and liabilities are included in the statement of net assets.

Fiduciary Funds

These funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

C. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund and agency fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Township considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The revenue susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income and intergovernmental revenues. All other governmental fund revenues are recognized when received.

D. Budgets

The General Fund and Special Revenue Funds are under formal budgetary control. Budgets shown in the financial statements for these funds were prepared on a basis not significantly different from the modified accrual basis used to reflect actual results and consist only of those amounts contained in the formal budget approved and amended by the Township.

In the body of the financial statements and the required supplementary schedules, the Township's actual and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets for these funds were adopted to the activity or cost center level.

For budgetary purposes appropriations lapse at fiscal year end.

Tobin & Co.

Leland Township Notes to Financial Statements March 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental columns or business-type activities in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest is capitalized during the construction period on property, plant and equipment.

Assets capitalized have an original cost of \$1,000 to \$5,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Land Improvements	20 years
Sewer Systems	50 years
Buildings	40 years
Building Improvements	25 years
Vehicles	10 years
Furniture and Fixtures	10 years
Equipment	5 years

F. Property Tax Procedures and Collections

Properties are assessed as of December 31 and the related property taxes become a lien the following July 1 and/or December 1. Real property taxes are collected by the Township Treasurer through February 28 of each year. As of March 1, uncollected real property taxes are returned delinquent to, and collected by, the County Treasurer. Personal property taxes remain the responsibility of the Township Treasurer to collect. It is the policy of the Township to record the real property taxes in the year of levy.

During the collection period prior to March 1, the Township Treasurer makes distribution of the property tax collections to the various taxing units (County, School District, etc.) as required by statute.

For the fiscal year the Township levied property taxes as follows:

	<u>SEV</u>	<u>Taxable Value</u>	<u>Millage Rate</u>
General Operating	\$503,855,112	\$279,047,357	.4928
Fire Protection	\$503,855,112	\$279,047,357	.6546

G. Special Assessment Revenue

Special Assessment Revenue is recognized in the year of levy. The Township has elected to recognize advance payments of special assessments as revenue upon receipt rather than allocating a portion of such payments to each year's levy.

H. Investments

Township investments at March 31, 2005 consisted primarily of Money Market funds which are legal for direct investment by local units of government in Michigan.

I. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Township considers all short-term debt securities purchased with a remaining maturity of three months or less when purchased to be cash equivalents.

Tobin & Co.

Leland Township Notes to Financial Statements March 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. We noted no material violations of legal provisions and/or contractual provisions of various agreements related to financial matters.
- B. All funds had positive fund balances at March 31, 2005.
- C. Public Act 621 of 1978, §18, provides that a local unit shall not incur expenditures in excess of the amount appropriated. For the year ended March 31, 2005, the Township incurred expenditures in excess of amounts appropriated without formal budget amendment as follows:

General Fund – Parks and Recreation	\$	308
Library Fund	\$	9,621

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS

A. Legal Provisions for Deposits and Investments

Act 20, Public Acts of 1943, as amended by Act 217, Public Acts of 1982, and Act 196, Public Acts of 1997, states that the Township, by resolution, may authorize the Treasurer to invest surplus funds as follows:

- (1) In bonds and other direct obligations of the United States or an agency or instrumentality of the United States.
- (2) In certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation or a credit union which is insured by the National Credit Union Administration, but only if the bank, savings and loan association, or credit union complies with subsection (2).
- (3) In commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and which matures not more than 270 days after date of purchase.
- (4) In repurchase agreements consisting of instruments defined in (1) above.
- (5) In bankers' acceptances of United States Banks.
- (6) In obligations of the State of Michigan or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.
- (7) In mutual funds registered under the investment company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by local units of government in Michigan.

Tobin & Co.

Leland Township Notes to Financial Statements March 31, 2005

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS (Continued)

B. Types of Deposits and Investments

The Township had \$1,471,701 deposited with local financial institutions at March 31, 2005 with a carrying value of \$1,423,679 and an additional \$305,413 invested through MBIA Municipal Investors Service Corporation. Interpreting the FDIC insurance coverage of \$100,000 of demand deposits and \$100,000 of time deposits per financial institution, the Township had \$1,210,065 of uninsured deposits at March 31, 2005.

Investments of \$36,226 are carried at market value and are primarily money market funds which are legal for direct investment by local units of government in Michigan.

NOTE 4 - ACCOUNTS RECEIVABLE

\$107,411 of accounts receivable represents uncollected sewer usage, connection and tap fees as of March 31, 2005.

NOTE 5 - LOANS AND TRANSFERS BETWEEN FUNDS

The following is a summary of interfund receivables/payables as of March 31, 2005:

	Fire and Rescue Fund	Sewer Fund	Marina Fund	Current Tax Collection Fund	Total
Due From:					
Due To:					
General	\$ 2,990	\$ 168	\$ 10,218	\$ 1,802	\$ 15,178
Sewer Fund	-	-	567	4,212	4,779
	<u>\$ 2,990</u>	<u>\$ 168</u>	<u>\$ 10,785</u>	<u>\$ 6,014</u>	<u>\$ 19,957</u>

During the audit year the General Fund transferred \$57,500 to the Library Fund and the Fire Building and Equipment Fund transferred \$305,233 to the Fire and Rescue Fund.

NOTE 6 - CAPITAL ASSETS

	03/31/04	Additions	Deletions	03/31/05
Governmental Activities:				
Land and Improvements	\$ 1,577,357	\$ 41,724	\$ -	\$ 1,619,081
Buildings and Improvements	134,525	-	-	134,525
Vehicles and Equipment	683,859	338,075	-	1,021,934
Total	2,395,741	379,799	-	2,775,540
Less Accumulated Depreciation	(607,303)	(60,342)	-	(667,645)
Governmental Activities Capital Assets, Net	<u>\$ 1,788,438</u>	<u>\$ 319,457</u>	<u>\$ -</u>	<u>\$ 2,107,895</u>
Business-type Activities:				
Land and Improvements	\$ 57,135	\$ -	\$ -	\$ 57,135
Buildings and Improvements	618,632	-	-	618,632
Equipment	137,612	8,916	-	146,528
Sewer Systems	7,066,131	-	-	7,066,131
Total	7,879,510	8,916	-	7,888,426
Less Accumulated Depreciation	(1,983,699)	(169,682)	-	(2,153,381)
Business-type Activities Capital Assets, Net	<u>\$ 5,895,811</u>	<u>\$ (160,766)</u>	<u>\$ -</u>	<u>\$ 5,735,045</u>

Tobin & Co.

Leland Township Notes to Financial Statements March 31, 2005

NOTE 7 - LONG-TERM DEBT

On November 1, 1991, Leelanau County issued \$2,900,000 of sewage disposal bonds at interest rates ranging from 9.375% to 4.375% with principal payments due May 1 and interest payments due May 1 and November 1. The proceeds were used to construct a sanitary sewer system in Leland Township.

Changes in long-term debt consist of retirement of \$200,000 of the above bonds.

Debt service requirements to maturity:

	Enterprise Funds Sewage Disposal Bonds	
	Principal	Interest
2005	\$ 200,000	\$ 46,844
2006	200,000	33,844
2007	200,000	22,969
2008	200,000	14,219
2009	200,000	5,469
2010	25,000	546
	<u>\$ 1,025,000</u>	<u>\$ 123,891</u>

NOTE 8 - INVENTORIES

Leland Township does not maintain a substantial inventory of supplies or materials. Purchases are normally made as needed, and the items are recorded as expenses at time of purchase.

NOTE 9 - RETIREMENT PLAN

The Township has a defined contribution pension plan for Michigan Township employees under contract with the Manufacturers Life Insurance Company. Listed below is a summary of the significant plan provisions adopted by Board resolution in June 1969 and amended in June 1996:

A. Eligibility Requirements

1. Attained age of 18 and not more than 75.
2. No minimum service requirement.
3. All elected officials and the assessor.

B. Contributions

1. A percentage of annual compensation funded entirely by the Township on an annual basis.
2. Compensation determined by the basic annual rate of compensation in effect at the beginning of the plan year.
3. Township pays 100% of required annual contribution.

C. Vesting

1. Contributions are vested to the employee immediately upon early retirement, termination of services, death, disability, or normal retirement at 100% after 18 months of service.

D. Plan Administration

1. The plan is administered by the Township Clerk.

During the audit year, the total contribution for was \$8,000. Covered payroll for the year was \$72,671 with total payroll for all employees of \$283,223. The plan was funded at the required contribution amount.

Tobin & Co.

Leland Township Notes to Financial Statements March 31, 2005

NOTE 10- DEFERRED COMPENSATION PLAN

Leland Township offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plan is administered by Aetna Life and Annuity Co. and is available to all employees. The plan allows employees to defer a portion of their salary until a future date. It becomes available to the employee at death, termination, retirement or disability. During the audit year employees deferred \$3,110 of compensation.

NOTE 11- COMPENSATED ABSENCES

Township employees do not earn compensated absences.

NOTE 12- CONTINGENT LIABILITIES

Township management is aware of no contingent liabilities on the part of the Township.

NOTE 13- RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the audit year the Township addressed these risks through the purchase of commercial insurance through Municipal Underwriters of Michigan and Burnham and Flowers Insurance Agency and Michigan Municipal League Workmen's Compensation Fund. There was no significant reduction of insurance coverage from prior years nor have the amounts of any settlements exceeded insurance coverage in any of the past three fiscal years.

NOTE 14- SEGMENT INFORMATION – ENTERPRISE FUND

The Township maintains a two enterprise funds, one of which provides sewer services and the other marina services. Segment information for the year ended March 31, 2005 was as follows:

	<u>Sewer Fund</u>	<u>Marina Fund</u>
Operating Revenues	\$ 342,501	\$ 425,344
Depreciation, Depletion and Amortization Expense	143,284	26,397
Operating (loss)	(9,708)	(35,166)
Net (loss)	(8,784)	(32,230)
Net Working Capital	40,225	236,080
Total Assets	5,733,765	526,280
Bonds and Other Long-Term Liabilities:		
Payable from Operating Revenues	1,025,000	-
Total Equity	4,680,976	505,374

NOTE 15- PRIOR PERIOD ADJUSTMENTS

Prior period adjustments of \$97,434 in the Sewer Fund results from the reclassification of the sewer facilities building less depreciation totalling \$71,123 erroneously recorded as land in the Marina Fund, and unrecorded sewer fee revenues \$53,871 less unrecorded March 31, 2004 accrued debt service interest of \$27,560.

Prior period adjustment of (\$98,100) in the Marina Fund results from the misclassification referred to above.

Tobin & Co.

Leland Township
Notes to Financial Statements
March 31, 2005

NOTE 16- OPERATING LEASE

The Township rents its office facilities under a lease expiring July 19, 2008. Rent expense under the above lease was \$12,000 for the year ended March 31, 2005.

Guaranteed lease payments under the above lease are as follows:

Year Ended March 31,	
2006	\$ 12,000
2007	12,000
2008	12,000
2009	<u>4,000</u>
	<u>\$ 40,000</u>

SUPPLEMENTAL DATA SECTION

Tobin & Co.

Leland Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
For the Year Ended March 31, 2005

Schedule 1
Page 1

<u>Revenues</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Taxes:				
Property Taxes	\$ 142,000	\$ 133,075	\$ 143,588	\$ 10,513
Penalties and Interest on Taxes	10,000	14,167	-	(14,167)
Licenses and Permits:				
Land Use Permits	5,000	5,000	4,830	(170)
State Grants:				
State Shared Revenues	130,000	130,000	134,437	4,437
Charges for Services:				
Summer Tax Collection	13,100	13,100	12,727	(373)
Fees	21,784	21,784	20,595	(1,189)
Sales	250	250	1,970	1,720
Interest and Rents:				
Interest	1,000	500	6,935	6,435
Other:				
Refunds and Reimbursements	2,000	6,753	7,292	539
Donations	-	40,224	40,224	-
Total Revenues	<u>325,134</u>	<u>364,853</u>	<u>372,598</u>	<u>7,745</u>
<u>Expenditures</u>				
Legislative:				
Township Board:				
Salaries and Wages	-	-	3,796	-
Supplies and Postage	-	-	238	-
Contractual Services	-	-	1,303	-
Legal Services	-	-	1,454	-
Audit and Accounting	-	-	4,691	-
Communications	-	-	1,529	-
Printing and Publishing	-	-	1,083	-
Dues	-	-	4,082	-
Public Utilities	-	-	1,936	-
Maintenance and Repairs	-	-	1,035	-
Rent	-	-	12,000	-
Other	-	-	5,741	-
Education	-	-	221	-
Total	<u>28,540</u>	<u>42,075</u>	<u>39,109</u>	<u>2,966</u>
Total Legislative	<u>28,540</u>	<u>42,075</u>	<u>39,109</u>	<u>2,966</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
For the Year Ended March 31, 2005

Schedule 1
Page 2

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<u>Expenditures (Continued)</u>	<u>Original</u>	<u>Final</u>		
General Government:				
Township Supervisor:				
Salaries and Wages	-	-	20,014	-
Supplies and Postage	-	-	512	-
Total	<u>23,250</u>	<u>21,200</u>	<u>20,526</u>	<u>674</u>
Elections:				
Salaries and Wages	-	-	1,872	-
Supplies and Postage	-	-	946	-
Transportation and Travel	-	-	56	-
Printing and Publishing	-	-	397	-
Maintenance and Repairs	-	-	664	-
Total	<u>3,940</u>	<u>3,940</u>	<u>3,935</u>	<u>5</u>
Assessor:				
Supplies and Postage	-	-	1,396	-
Contractual Services	-	-	24,149	-
Maintenance and Repairs	-	-	700	-
Other	-	-	3,146	-
Total	<u>26,077</u>	<u>29,923</u>	<u>29,391</u>	<u>532</u>
Clerk:				
Salaries and Wages	-	-	26,461	-
Supplies and Postage	-	-	1,622	-
Telephone	-	-	97	-
Transportation and Travel	-	-	406	-
Maintenance and Repairs	-	-	80	-
Education and Training	-	-	221	-
Total	<u>28,838</u>	<u>29,375</u>	<u>28,887</u>	<u>488</u>
Board of Review:				
Salaries and Wages	-	-	580	-
Printing and Publishing	-	-	127	-
Education and Training	-	-	23	-
Total	<u>760</u>	<u>760</u>	<u>730</u>	<u>30</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
For the Year Ended March 31, 2005

Schedule 1
Page 3

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>	<u>Original</u>	<u>Final</u>		
General Government (Continued):				
Treasurer:				
Salaries and Wages	-	-	23,942	-
Supplies and Postage	-	-	4,258	-
Accounting	-	-	440	-
Telephone	-	-	8	-
Transportation and Travel	-	-	615	-
Printing and Publishing	-	-	4,962	-
Maintenance and Repairs	-	-	600	-
Education and Training	-	-	327	-
Other	-	-	2,747	-
Total	<u>32,625</u>	<u>38,021</u>	<u>37,899</u>	<u>122</u>
Cemetery:				
Salaries and Wages	-	-	4,014	-
Supplies	-	-	159	-
Printing and Publishing	-	-	22	-
Maintenance and Repairs	-	-	176	-
Other	-	-	87	-
Total	<u>4,440</u>	<u>4,650</u>	<u>4,458</u>	<u>192</u>
Total General Government	<u>119,930</u>	<u>127,869</u>	<u>125,826</u>	<u>2,043</u>
Public Safety:				
Planning:				
Salaries and Wages	-	-	19,453	-
Supplies	-	-	344	-
Contractual	-	-	19,648	-
Legal	-	-	24,086	-
Dues	-	-	600	-
Transportation and Travel	-	-	1,638	-
Printing and Publishing	-	-	1,528	-
Education and Training	-	-	490	-
Total	<u>45,771</u>	<u>74,750</u>	<u>67,787</u>	<u>6,963</u>
Zoning:				
Salaries and Wages	-	-	810	-
Supplies	-	-	45	-
Contractual	-	-	77	-
Printing and Publishing	-	-	125	-
Education and Training	-	-	25	-
Total	<u>2,230</u>	<u>1,230</u>	<u>1,082</u>	<u>148</u>
Total Public Safety	<u>48,001</u>	<u>75,980</u>	<u>68,869</u>	<u>7,111</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
For the Year Ended March 31, 2005

Schedule 1
Page 4

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures (Continued)</u>				
Public Works:				
Roads and Sidewalks:				
Contractual Services	<u>5.000</u>	<u>4.000</u>	<u>3,147</u>	<u>853</u>
Street Lighting:				
Contractual Services	<u>-</u>	<u>-</u>	<u>11,355</u>	<u>-</u>
Maintenance and Repairs	<u>-</u>	<u>-</u>	<u>1,500</u>	<u>-</u>
Total	<u>13,000</u>	<u>13,000</u>	<u>12,855</u>	<u>145</u>
Total Public Works	<u>18,000</u>	<u>17,000</u>	<u>16,002</u>	<u>998</u>
Recreation and Cultural:				
Parks and Recreation:				
Salaries and Wages	<u>-</u>	<u>-</u>	<u>13,107</u>	<u>-</u>
Supplies	<u>-</u>	<u>-</u>	<u>1,459</u>	<u>-</u>
Contractual Services	<u>-</u>	<u>-</u>	<u>8,242</u>	<u>-</u>
Trash Removal	<u>-</u>	<u>-</u>	<u>2,130</u>	<u>-</u>
Sewer Use	<u>-</u>	<u>-</u>	<u>3,548</u>	<u>-</u>
Printing and Publishing	<u>-</u>	<u>-</u>	<u>185</u>	<u>-</u>
Public Utilities	<u>-</u>	<u>-</u>	<u>773</u>	<u>-</u>
Maintenance and Repairs	<u>-</u>	<u>-</u>	<u>9,359</u>	<u>-</u>
Licenses and Fees	<u>-</u>	<u>-</u>	<u>125</u>	<u>-</u>
Total Recreation and Cultural	<u>38,620</u>	<u>38,620</u>	<u>38,928</u>	<u>(308)</u>
Other:				
Employee Benefits and Insurance	<u>34,778</u>	<u>34,778</u>	<u>31,968</u>	<u>2,810</u>
Total	<u>34,778</u>	<u>34,778</u>	<u>31,968</u>	<u>2,810</u>
Capital Outlay	<u>7.500</u>	<u>47,724</u>	<u>46,863</u>	<u>861</u>
Total Expenditures	<u>295,369</u>	<u>384,046</u>	<u>367,565</u>	<u>16,481</u>
<u>Excess Revenues (Expenditures)</u>	<u>29,765</u>	<u>(19,193)</u>	<u>5,033</u>	<u>24,226</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Transfers (Out)	<u>(57,750)</u>	<u>(57,750)</u>	<u>(57,750)</u>	<u>-</u>
Total	<u>(57,750)</u>	<u>(57,750)</u>	<u>(57,750)</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	(1) <u>\$ (27,985)</u>	<u>\$ (76,943)</u>	<u>(52,717)</u>	<u>\$ 24,226</u>
Fund Balance – Beginning of Year			<u>247,302</u>	
Fund Balance – End of Year			<u>\$ 194,585</u>	
(1) Budgeted from Fund Balance				

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Metro Authority Fund
For the Year Ended March 31, 2005

Schedule 2

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
State Shared Revenues	\$ 3,500	\$ 3,500	\$ 5,449	\$ 1,949
Total	3,500	3,500	5,449	1,949
<u>Expenditures</u>	-	-	-	-
<u>Excess Revenues (Expenditures)</u>	\$ 3,500	\$ 3,500	5,449	\$ 1,949
Fund Balance – Beginning of Year			1,548	
Fund Balance – End of Year			\$ 6,997	

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Fire and Rescue Fund
For the Year Ended March 31, 2005

Schedule 3

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes:				
Property Taxes	\$ -	\$ 94,000	\$ 95,266	\$ 1,266
Charges for Services:				
Run Fees	-	34,000	56,743	22,743
Other:				
Miscellaneous	-	-	100	100
Total Revenues	<u>146,410</u>	<u>128,000</u>	<u>152,109</u>	<u>24,109</u>
<u>Expenditures</u>				
Salaries and Wages	-	-	50,133	-
Social Security and Medicare	-	-	3,965	-
Unemployment	-	-	2,452	-
Supplies	-	-	7,545	-
Contractual	-	-	44,091	-
Trash and Snow Removal	-	-	565	-
Accounting and Auditing	-	-	400	-
Sewer Use	-	-	896	-
Communications	-	-	1,201	-
Transportation and Travel	-	-	936	-
Printing and Publishing	-	-	60	-
Insurance and Bonds	-	-	13,828	-
Public Utilities	-	-	6,420	-
Maintenance and Repairs	-	-	13,639	-
Licenses and Fees	-	-	349	-
Other	-	-	298	-
Medical	-	-	6,480	-
Education and Training	-	-	(365)	-
Capital Outlay	-	-	305,233	-
Total	<u>171,942</u>	<u>468,098</u>	<u>458,126</u>	<u>9,972</u>
<u>Excess Revenues (Expenditures)</u>	<u>(25,532)</u>	<u>(340,098)</u>	<u>(306,017)</u>	<u>34,081</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	-	320,966	305,233	(15,733)
Operating Transfers (Out)	-	-	-	-
Total	<u>-</u>	<u>320,966</u>	<u>305,233</u>	<u>(15,733)</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	(1) <u>\$ (25,532)</u>	<u>\$ (19,132)</u>	<u>(784)</u>	<u>\$ 18,348</u>
Fund Balance – Beginning of Year			<u>82,887</u>	
Fund Balance – End of Year			<u>\$ 82,103</u>	
(1) Budgeted from Fund Balance				

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Liquor Law Enforcement Fund
For the Year Ended March 31, 2005

Schedule 4

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
State Grants:				
License Refunds from State	\$ 3,551	\$ 3,551	\$ 3,572	\$ 21
Total	3,551	3,551	3,572	21
<u>Expenditures</u>				
Contractual Services	6,000	6,000	6,000	-
Total	6,000	6,000	6,000	-
<u>Excess Revenues (Expenditures)</u>	(1) \$ (2,449)	\$ (2,449)	(2,428)	\$ 21
Fund Balance – Beginning of Year			13,590	
Fund Balance – End of Year			\$ 11,162	
(1) Budgeted from Fund Balance				

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual Library Fund For the Year Ended March 31, 2005

Schedule 5

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
State Grants:				
State Aid	\$ 1,700	\$ 1,700	\$ 1,772	\$ 72
Charges for Services:				
Fees	3,500	3,500	3,684	184
Sales	1,500	1,500	2,557	1,057
Fines and Forfeits:				
Penal Fines	18,000	18,000	14,711	(3,289)
Book Fines	200	200	132	(68)
Interest and Rents:				
Interest and Dividends	-	-	8,283	8,283
Other:				
Donations	15,000	15,000	41,904	26,904
Unrealized Gain on Investments	-	-	558	558
Total Revenues	39,900	39,900	73,601	33,701
<u>Expenditures</u>				
Salaries and Wages	-	-	44,117	-
Social Security and Medicare	-	-	3,496	-
Unemployment	-	-	2,234	-
Medical Reimbursement	-	-	1,000	-
Supplies	-	-	3,404	-
Trash and Snow Removal	-	-	850	-
Accounting and Auditing	-	-	940	-
Dues	-	-	1,329	-
Sewer Use	-	-	435	-
Communications	-	-	993	-
Transportation and Travel	-	-	426	-
Printing and Publishing	-	-	185	-
Insurance and Bonds	-	-	2,033	-
Public Utilities	-	-	6,562	-
Maintenance and Repairs	-	-	3,159	-
Other	-	-	295	-
Capital Outlay	-	-	13,354	-
Collection	-	-	22,459	-
Total	97,650	97,650	107,271	(9,621)
<u>Excess Revenues (Expenditures)</u>	<u>(57,750)</u>	<u>(57,750)</u>	<u>(33,670)</u>	<u>24,080</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	57,750	57,750	57,750	-
Operating Transfers (Out)	-	-	-	-
Total	57,750	57,750	57,750	-
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>24,080</u>	<u>\$ 24,080</u>
Fund Balance – Beginning of Year			184,519	
Fund Balance – End of Year			<u>\$ 208,599</u>	

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Marina Improvement Fund
For the Year Ended March 31, 2005

Schedule 6

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Interest and Rents:				
Interest	\$ 3,900	\$ 3,900	\$ 6,936	\$ 3,036
Total	3,900	3,900	6,936	3,036
<u>Expenditures</u>	-	-	-	-
Total	-	-	-	-
<u>Excess Revenues (Expenditures)</u>	-	-	6,936	3,036
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	14,430	14,430	-	(14,430)
Operating Transfers (Out)	(5,000)	(5,000)	-	5,000
Total	9,430	9,430	-	(9,430)
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	\$ 13,330	\$ 13,330	6,936	\$ (6,394)
Fund Balance – Beginning of Year			409,975	
Fund Balance – End of Year			\$ 416,911	

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Fire Building and Equipment Fund
For the Year Ended March 31, 2005

Schedule 7

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Property Taxes:				
Property Taxes	\$ 94,000	\$ 94,000	\$ 95,276	\$ 1,276
Interest and Rents:				
Interest	2,000	2,000	3,809	1,809
Other:				
Sale of Fixed Assets	-	-	11,000	11,000
Total	<u>96,000</u>	<u>96,000</u>	<u>110,085</u>	<u>14,085</u>
<u>Expenditures</u>	-	-	-	-
Total	-	-	-	-
<u>Excess Revenues (Expenditures)</u>	<u>96,000</u>	<u>96,000</u>	<u>110,085</u>	<u>14,085</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	(18,410)	(314,566)	(305,233)	9,333
Total	<u>(18,410)</u>	<u>(314,566)</u>	<u>(305,233)</u>	<u>9,333</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ 77,590</u>	<u>\$ (218,566)</u>	<u>(195,148)</u>	<u>\$ 23,418</u>
Fund Balance – Beginning of Year			<u>328,138</u>	
Fund Balance – End of Year			<u>\$ 132,990</u>	

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township
Combining Balance Sheet
Non-Major Governmental Funds
March 31, 2005

Schedule 8

<u>Assets</u>	<u>Special Revenue</u>		<u>Permanent Fund</u>	<u>Total</u>
	<u>Liquor Law Enforcement</u>	<u>Metro Authority</u>	<u>Perpetual Care</u>	
Cash and Cash Equivalents	\$ 11,162	\$ 6,997	\$ 500	\$ 18,659
Total Assets	<u>\$ 11,162</u>	<u>\$ 6,997</u>	<u>\$ 500</u>	<u>\$ 18,659</u>
<u>Liabilities and Fund Equity</u>				
Liabilities:				
Total	-	-	-	-
Fund Equity:				
Fund Balance – Unreserved	11,162	6,997	500	18,659
Total	<u>11,162</u>	<u>6,997</u>	<u>500</u>	<u>18,659</u>
Total Liabilities and Fund Balance	<u>\$ 11,162</u>	<u>\$ 6,997</u>	<u>\$ 500</u>	<u>\$ 18,659</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Non-Major Governmental Funds
March 31, 2005

Schedule 9

	<u>Special Revenue</u>		<u>Permanent Fund</u>	
<u>Revenues</u>	<u>Liquor Law Enforcement</u>	<u>Metro Authority</u>	<u>Perpetual Care</u>	<u>Total</u>
State Grants	\$ 3,572	\$ 5,449	\$ -	\$ 9,021
Total	3,572	5,449	-	9,021
<u>Expenditures</u>				
Public Safety	6,000	-	-	6,000
Total	6,000	-	-	6,000
<u>Excess Revenues (Expenditures)</u>	(2,428)	5,449	-	3,021
Fund Balance – Beginning of Year	13,590	1,548	500	15,638
Fund Balance – End of Year	\$ 11,162	\$ 6,997	\$ 500	\$ 18,659

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township
Statement of Revenues, Expenditures and Changes in Retained Earnings – Budget and Actual
Sewer Fund
For the Year Ended March 31, 2005

Schedule 10

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for Services:				
Usage and Connection Fees and Debt Retirement	\$ 338,622	\$ 338,622	\$ 342,501	\$ 3,879
Total	338,622	338,622	342,501	3,879
<u>Expenditures</u>				
Salaries and Wages	-	-	9,495	-
Social Security and Medicare	-	-	733	-
Unemployment	-	-	647	-
Supplies	-	-	814	-
Contractual Services	-	-	88,112	-
Trash and Snow Removal	-	-	400	-
Legal	-	-	2,319	-
Accounting and Auditing	-	-	1,193	-
Communications	-	-	2,201	-
Licenses and Permits	-	-	7,300	-
Insurance and Bonds	-	-	4,569	-
Public Utilities	-	-	15,602	-
Maintenance and Repairs	-	-	20,665	-
Depreciation	-	-	143,284	-
Other	-	-	465	-
Interest	-	-	54,410	-
Total	286,652	346,396	352,209	(5,813)
<u>Operating Income (Loss)</u>	51,970	(7,774)	(9,708)	(1,934)
Interest Income	1,025	1,025	924	(101)
<u>Total Non-operating Income (Expense)</u>	1,025	1,025	924	(101)
<u>Net Income (Loss)</u>	\$ 52,995	\$ (6,749)	(8,784)	\$ (2,035)
Depreciation Transferred to Contributions			89,302	
Retained Earnings – Beginning of Year			566,081	
Prior Period Adjustment			97,434	
Retained Earnings – End of Year			\$ 744,033	

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township
Statement of Revenues, Expenditures and Changes in Retained Earnings – Budget and Actual
Marina Fund
For the Year Ended March 31, 2005

Schedule 11

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for Services:				
Moorage and Other Fees	\$ 127,000	\$ 127,000	\$ 123,761	\$ (3,239)
Launching Fees	1,500	1,500	1,700	200
Parking Meter and Fines	8,000	8,000	5,306	(2,694)
Pump Out Fees	2,800	2,800	2,115	(685)
Gas, Oil and Diesel Sales	<u>280,100</u>	<u>280,100</u>	<u>292,462</u>	<u>12,362</u>
Total	<u>419,400</u>	<u>419,400</u>	<u>425,344</u>	<u>5,944</u>
<u>Expenditures</u>				
Salaries and Wages	-	-	65,428	-
Fringe Benefits	-	-	6,856	-
Supplies	-	-	7,254	-
Gas, Oil and Fuel	-	-	262,816	-
Trash Removal	-	-	1,099	-
Contractual Services	-	-	17,941	-
Accounting and Auditing	-	-	950	-
Communications	-	-	1,686	-
Insurance and Bonds	-	-	5,531	-
Public Utilities	-	-	18,057	-
Maintenance and Repairs	-	-	23,193	-
Depreciation	-	-	26,397	-
Licenses and Fees	-	-	394	-
Other and Credit Card Fees	-	-	10,408	-
Administration Fee	-	-	12,000	-
Education	-	-	500	-
Total	<u>411,970</u>	<u>411,970</u>	<u>460,510</u>	<u>(48,540)</u>
<u>Operating Income (Loss)</u>	<u>7,430</u>	<u>7,430</u>	<u>(35,166)</u>	<u>(42,596)</u>
Interest Income	2,000	2,000	2,936	936
Transfer In	5,000	5,000	-	(5,000)
Transfer Out	<u>(14,430)</u>	<u>(14,430)</u>	<u>-</u>	<u>14,430</u>
<u>Total Non-operating Income (Expense)</u>	<u>(7,430)</u>	<u>(7,430)</u>	<u>2,936</u>	<u>10,366</u>
<u>Net Income (Loss)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(32,230)</u>	<u>\$ (32,230)</u>
Retained Earnings – Beginning of Year			635,135	
Prior Period Adjustment			<u>(98,100)</u>	
Retained Earnings – End of Year			<u>\$ 504,805</u>	

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township
Combining Statement of Changes in Assets and Liabilities
Current Tax Collection Fund
For the Year Ended March 31, 2005

Schedule 12

<u>Assets</u>	<u>Balance</u> <u>03/31/04</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>03/31/05</u>
Cash and Investments	\$ 636,225	\$ 6,415,197	\$ 7,019,334	\$ 32,088
Total Assets	\$ 636,225	\$ 6,415,197	\$ 7,019,334	\$ 32,088
<u>Liabilities</u>				
Undistributed Taxes	\$ 589,326	\$ 6,099,950	\$ 6,663,202	\$ 26,074
Due to Other Funds	46,899	315,247	356,132	6,014
Total Liabilities	\$ 636,225	\$ 6,415,197	\$ 7,019,334	\$ 32,088

The Notes to the Basic Financial Statements are an integral part of this statement.

Tobin & Co.

Leland Township 2004 Property Tax Levy and Collections For the Year Ended March 31, 2005

Schedule 13

	<u>Millage Rate</u>	<u>Adjusted Levy</u>	<u>Collected</u>	<u>Returned Delinquent</u>
County	3.8518	\$ 1,072,973	\$ 1,013,487	\$ 59,486
County Road	0.5000	139,272	131,551	7,721
County Senior	0.2595	72,275	68,269	4,006
County BATA	0.3428	95,480	90,187	5,293
State Education	6.0000	1,671,394	1,605,946	65,448
School District:				
Leland	12.9100	2,478,587	2,383,085	95,502
Suttons Bay	23.7120	1,802	1,802	-
Intermediate School District	2.9731	828,223	795,795	32,428
Township:				
General	0.4928	137,265	129,655	7,610
Fire Protection	0.6546	182,337	172,229	10,108
Special Assessments:				
Sewer		882	882	-
Sewer Usage		<u>10,077</u>	<u>6,670</u>	<u>3,407</u>
Total		<u>\$ 6,690,567</u>	<u>\$ 6,399,558</u>	<u>\$ 291,009</u>
Percent of Levy Collected	95.65%			

The Notes to the Basic Financial Statements are an integral part of this statement.